

DOES SOCIAL CAPITAL INFLUENCE RESIDENT'S ATTITUDES TOWARDS TOURISM DEVELOPMENT IN SRI LANKA?

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Abstract

This study examines the resident's attitudes towards tourism development and adds the perceived social capital as a factor of attitudes which makes this study distinct from existing literature. We apply logistic regression models with descriptive statistical methods to achieve the research objectives. For rural community, occupation status, contacts with tourism industry, trust, degree of participation, and membership of business association are significant determinants of resident's positive attitudes towards tourism development. The length of residency and membership of community association determines resident's negative attitude towards tourism. For the urban community, this study finds age group, the degree of participation of community association, contacts with tourism industry and membership of community business association significant factors of resident's positive attitudes towards tourism. The education, length of residency in the community and contacts with tourism industry explains resident's negative attitudes towards tourism. Conversely, both rural and urban residents believe in future tourism development, whereas, social capital is insignificant about future tourism development in urban community. This study suggests policy decisions related to tourism development in a community have to consider residents as stakeholders and also, should consider the resident's attitudes towards sustainable tourism development.

Key words: Ancient cities, Community development, Resident's attitudes, Tourism development.

JEL Classification: D71, R11, Z13, Z31

I. INTRODUCTION

People's attitudes and perception towards global tourism have a robust and direct association with sustainable tourism development (Castellanos et al., 2008; Thapa and Ko, 2009). It explains the way how persons see the situation and their behavior towards the thing or condition. People's attitudes are feelings about someone or something which include human beliefs and growing and conflicting feelings about the person or object (Schneider, 1988). Eagly and Chaiken (1998) recognize the attitude as "psychological tendency that is expressed by evaluating a particular entity with some degree of favor or disfavor". As well as, it may give an enduring evaluation of an object which consists with tri-component; feeling, thoughts, and actions. In the

past, policymakers and researchers did not give proper attention to resident's attitudes in the process of regional tourism development until Murphy (1985) identifies tourism as a socio-cultural event and explains the importance of resident's attitudes in tourism in the process of developing a community.

Community development is designated as an approach to strengthen the community by listing its voice in the economic, environmental and socio-cultural strategy for development. Also, it is a process in building all type of community capacity not only restricted to community sustainable economic and employment activity. Community development combines the influence of people's commitment, resources and human skills (Aspen Institute, 2000) and has a massive power to be constructed on community opportunities. The community

participation and their concern are essential criteria for sustainable livelihood (UNDP, 1999). It is more closely connected with social-cultural awareness and local community. In the tourism sector, it could be found that people's attitudes towards tourism are influenced by perceived benefits and costs of an industry event (McGehee, 2004; Dyer et al. 2007) and people's attitude towards tourism industry in the local area have a direct impact on tourism development (Thapa & Ko, 2009). In the present global market, the travel and tourism industry have been recognized as the industry which is more closely linked with socio-cultural factors. The tourism sector has a massive power in changing living standards of local people which originate through the development of tourism industry in the host community and with the relation between tourists and residents (Puczko & Ratz, 2000). Fully local community participation and environmental sustainability are the key features of sustainable tourism (Chilli, 2015). There is a broad range of stakeholders in sustainable tourism development process in society. The residents of the community are identified as the key stakeholders in the tourism industry (Murray, 2009; Ribeiro et al., 2013). However, Guyer and Pollard (1997) argued that local people not have chances to participate in decision-making process. Some of the residents of tourist promotional area are still keeping hope that they will gain direct and indirect socio-economic benefits from tourism development in future (Andereck and Nyaupane, 2011). At present, travel and global tourism industry play a vital role in the development process in especially developing countries. The heritage and cultural tourism is a vital component of the tourism sector and it is recognized as a significant part of the modern tourism industry especially in many developing economies (Herbert, 2001). Besides this, many researchers have been stated that local people have a positive attitude towards tourism industry (Harrison, 1992; Besculides, Lee & McCormick, 2002). However, some researchers, for instance, Allen et al. (1993), opine that people have less confidence in tourism development process in a country thus, people's attitudes toward local tourism development rest on expected benefits and costs.

The resident's attitudes towards tourism mainly depend on socio-economic impacts of tourism to the community and socioeconomic factors. Traditionally, economists accept physical capital, human capital and natural capital as elements of economic development. Besides this, many socioeconomic scientists accept that social capital has significant potential in community development, especially in developing countries. Grootaert (1999) recognizes the social capital concept as a social association, norms, and values that help to keep interaction between individuals and groups, as well as it contribute to

improving their socio-economic welfare. Dasgupta (2000) perceives social capital as shared values and rules for social conduct with trust and civic responsibility while Porter (2003) associates more cooperative behavior and regional competitiveness with social capital as network effect and externalities. From above discussion, we can deduce that social capital is an important trait of community development and we find that there is a research gap as we are unable to trace any empirical study that how social capital with other demographic factors affects the resident's attitudes towards tourism development. Also, according to the best of our knowledge, no study has been conducted about people's attitudes toward tourism development in Sri Lankan socio-economic context. Thus, we hope this study fulfills this gap in the tourism literature. This study investigates the resident's attitudes towards tourism development and identifies its factors. This study has two specific objectives. First one is to examine the attitude towards tourism development in both rural and urban community. The second specific purpose is to identify the impact of perceived social capital on attitudes. Thus, it is a novel study.

Sri Lanka is a middle income developing and multicultural country in South Asia with a strong history over 2500 years. It was the first South Asian country to liberalize its economy. After ending a civil war that spreads over three decades, Sri Lanka records a robust economic growth with an economy worth USD 80 billion (Central Bank of Sri Lanka, 2016). At present, the tourism industry has become a significant source of foreign exchange earnings for Sri Lanka which contributes 11.1% to GDP and provides 10% of country employment (Central Bank of Sri Lanka, 2015). Sri Lanka hopes to attract more than two million international tourists and expects USD 3.5 million from tourism sector by the end of 2016.

Traditionally, Sri Lanka is a well-identified tourist destination with a beautiful coastal line around the island and it offers inherited culture and world heritage, community, spiritual attraction, tropical wildlife, and nature. The country was ranked as the best country to visit by Lonely Planet. Meanwhile, the capital of the country, Colombo recorded as the fastest growing city for global tourists between 2009 and 2015 with 21.1% increase in tourists (MasterCard, 2015). Figure 1 shows the tourist arrival to Sri Lanka during 1978 to 2015. It can be observed from the Figure 1 that tourist's arrival to Sri Lanka remained around 0.5 million as a result of civil conflict in the north-east provinces of the country during 1978-2009. However, since the end of the civil war in 2009, tourist's arrival has been increasing continuously and it recorded an increment around 20% during 2009-2015. The arrival of international tourists recorded was 654476 by the end of 2010 which shows an increase of 46.1% from 2009 and it is reached to

1798380 by the end of 2015.

Attitudes and perception towards global tourism have a robust and direct association with sustainable tourism development (Castellanos et al., 2008; Thapa and Ko, 2009). People's attitudes explain the way how persons see the situation and their behavior towards the thing or condition. People's attitudes are feelings about someone or something which include human beliefs and growing and conflicting feelings about the person or object (Schneider, 1988). Eagly and Chaiken (1998) recognize the attitude as "psychological tendency that is expressed by evaluating a particular entity with some degree of favor or disfavor". As well as, it may give an enduring evaluation of an object which consists with tri-component; feeling, thoughts, and actions. In the past, policymakers and researchers did not give proper attention to resident's attitudes in the process of regional tourism development until Murphy (1985) identifies tourism as a socio-cultural event and explains the importance of resident's attitudes in tourism in the process of developing a community.

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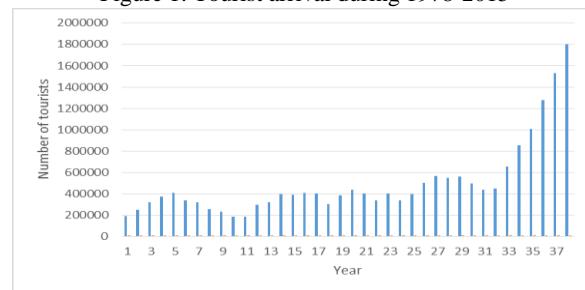
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Figure 1: Tourist arrival during 1978-2015



Source: Sri Lanka Tourism Development Authority, 2015

The statistical evidence of accommodation facilities in tourist hotels and its local distribution gives a picture about how Sri Lankan tourism spreads over the country. According to Sri Lanka Tourism Development Authority, accommodation capacity is mainly located in Colombo, south coast, and ancient cities regions. The total rooms in tourist hotels of the country are 19376 by the end of 2015 which is 33.99% more than in 2009. The region of ancient cities is logged 18.58% of total country capacity in 2015. Furthermore, these statistics shows that how tourism industry of the country is expanding locally.

Meanwhile, the government has launched new regional projects to promote international travelers to give visibility to local communities, to encourage and increase investment, business, and employment opportunities (Central Bank of Sri Lanka, 2015).

The paper consists of five sections. The next section presents a literature review and conceptual development. Research methods are discussed in the third section while results and discussion are done in the fourth section and the last section is going to conclude the study.

II. LITERATURE REVIEW

Resident's attitude towards tourism is a significant predictor of local tourism development. The expected socio-economic benefits and costs of tourism development alter resident's attitudes towards tourism and other socio-economic factors. Tourism helps economic development through creating employment opportunities, income redistribution, strengthen the community, encourage civic participation, tax revenue, and hard currency (Hsu, 2000). Andereck (1995) stated that resident's values are emerging from tourism which can be divided into three groups: economic, socio-cultural and environmental factors. Some researchers identify that tourism impact on host community is positive as well as negative (Murphy, 1985; Gee et al. 1989; Andereck et al., 2005; Cook et al., 2013).

Over the past years, resident's attitudes towards tourism has been become as one of the main research field in the tourism research (Andereck et al., 2005; Andereck and Vogt, 2000; Lankford, 1994; Williams & Lawson, 2001; Nicholas, 2007; Woosnam, 2011; Thapa & Ko, 2009; Wang & Pfister, 2008). The Economic impact of tourism is considered as the main benefit for the host community which comes in different ways. It creates employment opportunities and brings capital investment to the community (Upchurch & Teivane, 2000; Asha, 2005; Davis et al., 1988), it increases the income (Jurowski et al., 1997), and developing business opportunities (Davis et al., 1988). Some studies have recognized the impacts of tourism from social and environment aspects (Murphy, 1983; Besculides et al., 2002; Pizam, 1978). The social change, developing a cultural identity and improving community image and opportunities for cultural exchange programs and social interaction are recorded as other social-cultural aspect benefits of tourism (Esman, 1984; Harrison, 1992; Besculides et al., 2002). Meanwhile, some past studies reported that tourism industry might also create an adverse effect on the local community (Liu, Sheldon, and Var, 1987). Liu and Var (1986) reported there is strong residents support for cultural benefits of tourism development. However, tourism can be become a motivating factor for changing traditional

family values and social values (Kousis, 1989). Some researchers identified tourism may make social conflict and upsurge crime (Gursoy et al. 2002; Aref, 2010). Cultural commercialization (Cohen, 1988), the openness of sex (King, Pizam, and Milman, 1991), increased prostitution (Lindberg and Johenson, 1997) and they stated that these factors lead to the psychological tension of residents. Many investigations over the past years have been reported that there are both positive and negative attitudes towards environmental impact of tourism (Lowe and Ruding, 1986; Hillery et al. 2001). However, Kuvan and Akan (2005) stated that basically, the positive impact of tourism development on people's attitude outplays environmental anxieties.

III. RESEARCH METHODOLOGY

3.1 Area of the study and data collection

This study adopts both quantitative and qualitative statistical methods to examine the factors that influence resident's attitudes towards tourism development. The data is drawn from field survey. Kandy and Sigiriya located in the ancient cities region in Sri Lanka were selected as the case study sites. These two sites have an attraction for tourism as both are ancient cities. Kandy is the provincial capital of the central province. It is the second biggest city in the country, and the city has been recognized as one of the UNESCO sites in Sri Lanka. Sigiriya is known as Lion's rock located in central Sri Lanka. It is a very attractive tourism destination of the country for ancient rock art paintings. Sigiriya is located in dry zone area, and it could be recognized as a rural community.

A total of two hundred respondents were selected using a multi-stage sampling technique which is composed of 120 respondents from Kandy community and 80 respondents from Sigiriya community. Residents whose age 18 or over were chosen for the field survey. A well-structured questionnaire was used to collect data from the respondents on socio-economic characteristics and attitudes towards tourism development. The questionnaire was established following a review of past empirical literature dealing with social capital (Sseguya, 2009) and people's attitudes towards tourism development (Andriots and Vaughan, 2003; Madrigal, 1993; Muresan et al., 2016; Hanafiah et al., 2013). Three trained enumerators carried the survey in January 2016

3.2 Measurement of Variables

This research conducted in the form of a survey design and the people's attitudes towards tourism worked as the dependent variable in the study while social capital and socio-economic characteristics of

residents are independent variables.

Attitude statements

In this study, we examine factors that influenced resident's attitudes toward tourism development in the local community. We use four attitude statements to test the various aspect of respondent's attitude towards tourism development (Please see Table 1 for more information). First statement is about the respondent's judgment about the economic impact of tourism (Mason, 2004; Ashe, 2005; Uochurch and Teivane, 2000), the second statement about is the socio-cultural impact of tourism (Besculides and McCormick, 2002; Akis and Warner, 1996), and the third statement is about the environmental impact of tourism. These statements are coded as agree with the statement ($y=1$) and not agree with the statement ($y=0$), to study people's attitude towards tourism. The fourth statement respondent's judgment is about future tourism development in the community which is coded on ordinal five-point Likert scale ($0=\text{strongly disagree}$, $1=\text{disagree}$, $2=\text{neutral}$, $3=\text{agree}$ and $4=\text{strongly agree}$). Resident's judgment about given attitude statement is dependent variable in the logistic regression models undertaken in this study.

Social Capital

Following theoretical and empirical perspective on local sustainable tourism development (Murphy, 1985; UNDP, 1999; Swarbrooke, 1999; Tosun, 2005; Byrd and Gustke, 2011), resident's attitude towards tourism development influenced by social relation, social norms, and networks. Therefore, we included social capital as the key independent variable of the empirical model. We employed four proxies for social capital to capture the perceived social capital of respondent. The responses were coded as dummy variable which is: Membership of community association ($1=\text{yes}$, $0=\text{otherwise}$), the degree of participation of community association ($1=\text{active member}$, $0=\text{otherwise}$), trust on community people ($1=\text{has a trust}$, $0=\text{otherwise}$), and membership of the business association ($1=\text{yes}$, $0=\text{otherwise}$).

Socio-Economic Characteristics

The socio-economic characteristics were used as the controlled variables which consist of six variables. They were coded as dummy variable: Gender ($1=\text{male}$, $0=\text{otherwise}$), Education ($1=\text{university education}$, $0=\text{otherwise}$), Age group ($1=18-39 \text{ years}$, $0=\text{otherwise}$), The length of residency ($1=\text{lived more than 10 years in the community}$, $0=\text{otherwise}$), Occupation status ($1=\text{Private sector}$, $0=\text{otherwise}$), Contacts with tourism industry ($1=\text{yes}$, $0=\text{otherwise}$). These socio-economic characteristics are included based on past tourism (Cui & Ryan, 2011;

Hao and Kleckley, 2010; McGehee & Andereck 2004; Korca, 1998) and worked as independent variables in the logistic regression models undertaken in this paper.

3.3 Data Analysis Methods

The descriptive analysis methods along with binary logistic and ordinal logistic regression methods were used to analyze the field survey data through SPSS 21. Binary logistic regression is used to investigate the association between social capital and demographic variables on resident's attitude towards given statement. The logistic model for the binary variables of Ronald and Yates (1938) is applied as it is an appropriate model to study the effect of both continuous and categorical independent variables on a dichotomous dependent variable (Reed and Wu, 2013).

The outcome in a logistic regression model is coded as Y=1 which indicates the incident happened, and Y=0 which indicates the incident did not happen. If it is stated 'P' as the probability of the Y is 1, the basic equations of the logistic regression used in this analysis is as below,

$$\text{Logit}(P) = \ln\left(\frac{P}{1-P}\right) \quad (1)$$

$$P(ev) = \frac{e^{(\eta_0 + \sum_i \eta_i X_i)}}{1 + e^{(\eta_0 + \sum_i \eta_i X_i)}} \quad (2)$$

where P , is the expected probability that

outcome happens, η_i the coefficients and X_i represent independent variables. The outcome estimated in natural log (ln) of the odds that the outcome is shown in Eq. 3.

$$\ln\left(\frac{P}{1-P}\right) = \eta_0 + \eta_1 X_1 + \eta_2 X_2 + \eta_3 X_3 + \dots + \eta_n X_n \quad (3)$$

where, η_0 is the intercept and $\eta_1 \dots \eta_n$ are the

slope of coefficients, and $X_1 \dots X_n$ are the independent variables. Outcome variables were coded as dichotomous variables. The ordinal logistic regression (OLR) was undertaken to analyze the field data which is a regression analysis to find effect strength, forecasts effect and predict trends and future values. Also, It helps to predict the relationship between an ordinal level endogenous variable and two or more categorical or continuous exogenous variables. The following formula in Eq. 4 gives ordinal regression model:

$$\log\left[\frac{P(Y \leq j / X)}{P(Y > j / X)}\right] = \pi - \sum_{k=1}^k \beta_k X_k = \pi + X\beta \quad (4)$$

The chi-square test is used for checking goodness of fit of the model and Nagelkerke's and McFadden's pseudo R² gives information about how much variance is explained by the exogenous variables of the empirical model. Chi-square test is given as,

$$\chi^2 = \Sigma \left[\left(OI_{r,c} - EI_{r,c} \right)^2 / EI_{r,c} \right] \quad (5)$$

The following formula provides Nagelkerke.

$$Nagelkerke(R^2) = \frac{e^{\text{cs}}}{1 - L(0)^{2/\text{cs}}} \quad (6)$$

where R^2 is given by

$$R^2_{\text{cs}} = 1 - \left\{ \frac{L(0)}{L(\beta)^{\text{ML}}} \right\}^{2/\text{cs}} \quad (7)$$

IV. DATA ANALYSIS AND DISCUSSION

4.1 Descriptive statistics of residents' attitudes

The basic descriptive statistics of resident's attitudes towards tourism development and future tourism development in both rural and urban communities are presented in Table 1. The descriptive statistics of resident's attitudes towards tourism development in the community shows that about 70% of respondents agree that tourism improves the economic situation and the living standards of the community. There are big differences about socio-cultural impacts of resident's attitudes towards tourism development between rural and urban communities. A total of 40% of rural residents agrees that tourism encourages and strengthens the cultural events of the local area while 66% of the urban residents agree with the cultural attitude statement. Similar responses could be observed in both rural and urban sample about the environmental impact of tourism development. Above 60% respondents accepted that tourism causes environmental pollution and overcrowding problem in their community. Thus, respondents in both rural and urban have a progressive attitude towards environmental impacts of tourism development based on their past experiences. This study also collected information regarding resident's attitudes and perception towards future tourism development of the community. About 85% of the sample recorded that international tourism should be actively industrialized in the community (with neutral responses). It indicates that a significant majority of the community is willing to see sustainable tourism development in their community

Table 1: Descriptive statistics of resident's attitudes towards tourism

Attitude Statements	Responses	Rural Community (Sigiriya)		Urban Community (Kandy)	
		count	%	count	%
(EI). Tourism improve the economic situation and the living standard of the community	Agree	56	70	90	75
	Disagree	24	30	30	25
(SCI). Tourism encourage and strengthen the cultural events of the local area	Agree	32	40	79	66
	Disagree	48	60	41	34
(ENI). Tourism cause natural environment pollution and overcrowding problem	Agree	51	64	74	62
	Disagree	29	36	45	38
(FD). International tourism should be actively industrialized in my community	Strong Agree	32	40	35	29
	Agree	16	20	28	23
	Neutral	27	34	43	36
	Disagree	4	5	11	9
	Strong disagree	1	1	3	3

Source: Authors calculation from the survey data, 2016.

4.2 Estimation Results

4.2.1 The Binary Logistic Regression Analysis

The logistic regression models are applied to identify the likelihood factors of resident's attitudes towards local tourism development process in the ancient cities of Sri Lanka. Multicollinearity problem among independent variables is tested to avoid the uncertainty of the results (Leech et al., 2005) and before examining the models, we considered the results of Omnibus test, Hosmer and Lemeshow goodness of fit test results. These results confirmed

that our main binary logistic models are significant. Nagelkerke's statistics showed that models explain about 60% of the variation in the outcomes. The logistic regression models examine the factors of resident's attitudes towards economic, socio-cultural and environmental impacts of tourism development in the community respectively. Table 2 presents the results of logistic regression analysis of the determinants of resident's judgment about the statement that tourism improves the economic situation and the living standards of the community

Table 2: The respondent's attitude towards economic impacts of tourism

Variables	Rural Community		Urban Community	
	β	EXP(β)	β	EXP(β)
Constant	-1.254	0.285	-0.296	0.744
Socio-economic characteristics				
Gender(male)	0.637	0.529	-0.002	0.998
Education (university education)	1.200	3.321	0.543	1.721
Age group(18-39 yrs)	0.548	1.729	1.188	3.279*
The length of residency (lived 10 yrs)	-0.007	0.993	-0.179	0.836
Occupation status(private sector)	1.588	4.890*	0.363	1.437
Contacts with tourism industry (yes)	1.959	7.089*	0.006	1.006
Proxies on Social Capital				
Trust in community people(having a trust)	1.450	4.261*	-.0305	0.737
The degree of participation in com. asso(active)	0.122	1.130	1.124	3.077*
Membership of community association(yes)	0.087	1.091	-0.162	0.850
Membership of business associ.(yes)	-0.976	0.3777	1.071	2.913*

N.B: * indicates significant at $\alpha = 0.05$

Source: Authors calculation from the survey data, 2016.

The results are different for resident's attitudes towards the impact of tourism on social and cultural perspectives for the rural and urban community. For the rural community, the occupation status of residents is significant and positive which is indicating that private sector's worker is more likely to agree with the

statement of tourism improves the economic situation and the living standards of the community than those who are not working in the private sector. The odds ratio of occupation is 4.890. It means residents of rural community those work in the private sector are 4.89 times more likely to accept that tourism improves the

economic situation and the living standards in the community even after controlling for other independent variables effects. Contacts with tourism industry is another significant variable, and the results confirm that those have contacts with tourism industry are about seven times more likely to accept the attitude statement. However, other socio-economic characteristics such as gender, education, age, and length of residency are not statistically significant. Among proxies of social capital only trust has a significant effect. A respondent who has trust in community peoples is four times more likely to accept the statement of tourism improves the community economic situation. The result of the urban community (Kandy) records that age group, the degree of participation and membership in the community business association are significant with a positive sign. A resident whose age is between 18-39 years is

about three times more likely to accept the positive impact of tourism. The same result is found for those who actively participants in the community association. One of the proxies of social capital, a respondent who participate community business association is about three times more likely to accept that the tourism improves the economic situation and the living standard of the community even after controlling for other independent variables effects.

Some past studies recorded that tourism has an impact on socio-cultural aspects. According to our research objectives, the research study employed a logistic regression model to identify the likelihood factors that have an influence on resident's attitudes towards tourism encourages and strengthens the cultural events of the local area. Table 3 shows the results of regression analysis.

Table 3: The respondent's attitude towards social and cultural impacts of tourism

Variables	Rural Community		Urban Community	
	β	EXP(β)	β	EXP(β)
Constant	0.171	1.187	-0.103	0.902
Socio-economic characteristics				
Gender(male)	1.038	2.823	0.099	1.105
Education (university education)	-0.385	0.674	-0.308	0.735
Age group(18-39 yrs)	-.0151	0.859	-0.976	0.377*
The length of residency (lived 10 yrs)	-0.700	0.497	0.052	1.053
Occupation status(private sector)	-0.195	0.822	0.261	1.298
Contacts with tourism industry (yes)	1.451	4.268*	1.327	3.769*
Proxies on Social Capital				
Trust in community people(having a trust)	0.207	1.230	-0.312	0.732
The degree of participation in com. asso(active)	-1.150	3.159*	-0.001	0.999
Membership of community association(yes)	-0.608	0.545	0.409	1.505
Membership of business associ.(yes)	-1.180	0.307*	0.815	2.259*

N.B: * indicates significant at $\alpha = 0.05$

Source: Authors calculation from the survey data, 2016.

According to results of the study contacts with tourism industry, the degree of participation in the community association and membership in the business association are statically significant. The results of these factors were different for the rural community. A resident who has contacts with tourism industry is more likely to agree with the attitude statement of 'tourism encourages and strengthens the cultural events of the local area. Also, resident who is an active member of community society, and a member of the business association is about three times less likely to accept the statement than others even after controlling for other independent variables effects. For the urban community, the results recorded

for age group 19-39, urban young people are less likely to accept the statement. Factors contacts with tourism industry and membership in the business association carry positive and significant coefficient thus; resident who has contacts with the tourism industry and members of the business association is more apt to accept that tourism encourages and strengthens the cultural events in the community.

Table 4 provides the results of binary logistic regression analysis for the determinants that influenced resident's attitudes towards the statement that tourism causes natural environment pollution and overcrowding problem.

Table 4: The respondent's attitude towards environmental impacts of tourism

Variables	Rural Community		Urban Community	
	β	EXP(β)	β	EXP(β)
Constant	-2.124	0.120	-0.612	0.542
Socio-economic characteristics				
Gender(male)	-0.184	0.832	-0.107	0.899
Education (university education)	-0.289	0.749	2.611	13.611*
Age group(18-39 yrs)	-0.317	0.728	-0.547	0.579
The length of residency (lived 10 yrs)	2.511	12.35*	1.453	4.277*
Occupation status(private sector)	-0.281	0.770	0.174	1.190
Contacts with tourism industry (yes)	-0.235	0.791	0.806	2.239*
Proxies on Social Capital				
Trust in community people(having a trust)	-0.586	0.557	0.680	1.975
The degree of participation in com. asso(active)	0.396	1.486	-0.620	0.538
Membership of community association(yes)	1.877	6.533*	-0.594	0.552
Membership of business associ.(yes)	0.258	1.295	0.146	1.157

N.B: * indicates significant at $\alpha = 0.05$

Source: Authors calculation from the survey data, 2016.

The binary logistic regression analysis of Table 4 shows that length of residency in the community and the proxy of social capital, membership of community association, are significant determinants of resident's attitudes towards the statement that tourism causes natural environment pollution and overcrowding problem in the rural community. Those people are living more than ten years in the community, and members of community association are more likely to accept the statement. They believe that tourism has caused environment pollution and overcrowding problem in the rural community while all other independent variables of the model are insignificant.

As a sample, we selected from an urban community, resident who has a university education, length of residency in the community, and contacts with tourism industry are more likely agree with the statement. These people believe that tourism causes environment pollution and overcrowding problem. However, we observe all proxies of the social capital variable are insignificant in the urban sample.

4.2.2 The Ordinal Regression Analysis

The ordinal logistic regression (OLR) was employed to model the relationship between the ordinal outcome (attitude regarding future tourism development) and independent variables. The attitude statement was the international tourism should be actively industrialized in the community in the future (scaled on ordinal five-point Likert scale). The model fitting and goodness of fit statistics confirm that model is a good fit to explain the outcome.

Table 5 provides the results of the ordinal logistic regression model. According to the result given in the table, almost all thresholds are

statistically significant at significant level of 0.05 for both the rural and urban community models. Also as shown the model results of a rural community, logged odds represent that occupation status, contacts with tourism industry and membership of business association statistical significant and they carry negative coefficients. These results reveal that resident who does not work in private sector, no contacts with tourism industry, and not a member of the community business association is more likely to have a lower cumulative score. On the other hand, it indicates that private sector workers, resident who has contacts with tourism industry, and members of the business association are more likely to have a higher cumulative score (with the statement that international tourism should be actively industrialized in the community). In other words, they like to see an industrialized tourism in a rural community in the future than others. However, the other socio-economic characteristics and social capital proxies are insignificant.

As for as results of the urban community are concerned, occupation status, gender, age group, membership of the business association, and degree of community participation are statistically significant. The positive coefficient of occupation indicates that private sector workers are more likely to have a higher cumulative score. They are in more favor of future tourism development. Whereas female, older age group, a non-member of business association, and a non-active member of community association are more likely to have a lower cumulative score.

Table 5: The ordinal regression results

		Rural Community			Urban Community		
		Estimate	Std. Error	Sig.	Estimate	Std. Error	Sig.
Threshold	[support = 0]	-7.531	1.444	.000	-4.896	.856	.000
	[support = 1]	-5.749	1.107	.000	-3.164	.674	.000
	[support = 2]	-3.023	.945	.001	-.875	.603	.147
	[support = 3]	-1.996	.908	.028	.362	.601	.547
Location	[gender=0]	-.371	.680	.586	-1.076	.560	.055
	[gender=1]	0 ^a	.	.	0 ^a	.	.
	[education=0]	-.161	.691	.816	.589	.459	.199
	[education=1]	0 ^a	.	.	0 ^a	.	.
	[age group=0]	-.061	.477	.898	-.807	.364	.026
	[age group=1]	0 ^a	.	.	0 ^a	.	.
	[length of residency =0]	-.520	.598	.384	-.169	.414	.682
	[length of residency =1]	0 ^a	.	.	0 ^a	.	.
	[occupation status=0]	-1.257	.507	.013	1.359	.422	.001
	[occupation status=1]	0 ^a	.	.	0 ^a	.	.
	[Contacts with tourism=0]	-1.424	.535	.008	-.454	.362	.210
	[Contacts with tourism=1]	0 ^a	.	.	0 ^a	.	.
	[trust=0]	.172	.543	.752	.227	.365	.533
	[trust=1]	0 ^a	.	.	0 ^a	.	.
	[degree of participa.=0]	-.180	.487	.712	-.824	.378	.029
	[degree of participa.=1]	0 ^a	.	.	0 ^a	.	.
	[member. communit=0]	.419	.571	.463	.044	.428	.918
	[member. communit=1]	0 ^a	.	.	0 ^a	.	.
	[member. business=0]	-1.181	.534	.027	-1.243	.399	.002
	[member. business=1]	0 ^a	.	.	0 ^a	.	.

Source: Authors calculation from the survey data, 2016.

V. CONCLUSION

The main objective of this study was to examine the factors of local people's attitudes towards tourism development in ancient central cities of Sri Lanka. This research is based on survey data. Two ancient cities, Sigiriya (rural community) and Kandy (urban community) were selected as our study sites which are ancient cities of the country. A structured questionnaire was used for data collection from randomly selected 80 residents from the rural community and 120 residents from an urban community. Social capital proxies with socio-economic characteristic were included in the empirical models to identify the impact of social capital on attitudes towards tourism. The results of data analysis in the rural community confirmed that occupation status, contacts with tourism industry, and trust were recognized as significant positive determinants of resident's attitudes towards the positive economic impact of tourism development. As well as, contacts with tourism industry, degree of participation, and membership of business association were significant factors that influenced resident's attitude towards positive social impacts. The length of residency and membership of community association influenced resident's attitude towards negative

environmental impacts. For the urban community, results show age group, the degree of participation of community association and membership of community business association were significant factors of resident's attitudes towards positive economic and social impacts of tourism. The education, length of residency in the community and contacts with tourism industry affected resident's attitudes towards negative environmental impacts. Ordinal regression result confirmed that occupation status, contacts with tourism industry, and membership business association influenced positive attitude towards future tourism development in the rural community. Also, occupation status, contacts with tourism industry, gender, membership business association and degree of participation of community association were significant factors which influenced positive attitude towards future tourism development in the urban community. Residents believe that economic benefits of tourism are not enough although tourism has the potential to develop the community. Thus, both rural and urban residents believe and support future tourism development. Therefore, policy decisions related to tourism development in a community have to consider residents as stakeholders and also, authorities should consider the resident's attitude towards tourism development.

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